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Memorandum

From: Jane Sargent, Mike Abrams, Rick Spees, Nick Falvo, and Jose Villalobos

To: Chairman Joe A. Martinez
Board of County Commissioners

CC: Joe Rasco

Date: May 1, 2012

Subject: April 2012 Monthly Report

FY2013 Justice Department Appropriations:

In March, we worked with the County to complete and submit its programmatic appropriations requests to the delegation for FY2013. We helped the OIA staff with drafting the necessary forms and providing additional information for the County's programmatic requests. The deadlines for Members to submit programmatic and language requests to the Appropriations Committee fell in late March. The House and Senate Appropriations Committee began marking up the FY2013 bills in April.

In April, the House and Senate marked up the FY2013 Commerce-Justice-Science (CJS) Appropriations bill. We kept the County informed of the Appropriations Committees' actions on the bills as they moved through the subcommittee and full committee mark ups.

The House bill totals \$51.1 billion for the Department of Commerce, Department of Justice, and science agencies, such as NASA, and other related agencies. This is \$1.6 billion less than the FY2012 enacted level. The Senate CJS appropriations bill totals \$51.9 billion in funding, which is more than the House level, but \$1 billion less than FY2012. In the Senate bill, the Commerce Department takes the bulk of the cuts with a \$1.5 billion reduction, while the Justice Department gets a \$458 million increase.

The House bill includes \$1.85 billion for the Department of Justice's State and Local Law Enforcement Assistance. The Senate version of the CJS bill includes \$2.2 billion for these programs. Below are the funding levels for specific programs of interest to the County:

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BOCA RATON DALLAS DENVER FORT LAUDERDALE JACKSONVILLE LAS VEGAS LOS ANGELES MADISON MIAMI NAPLES
NEW YORK ORLANDO PALM BEACH TALLAHASSEE TAMPA TYSONS CORNER WASHINGTON, D.C. WEST PALM BEACH

Community Oriented Policing Services (COPS) Programs: The House bill includes \$72.5 million for COPS programs, including \$40 million for COPS Hiring Grants. This is significantly less than the Senate bill, which proposes \$247.5 million for COPS programs, including \$215 million for COPS Hiring Grants. The FY2012 enacted level for COPS is \$198.5 million, including \$166 million for COPS Hiring Grants. This is less than the Senate bill, but significantly more than the House has proposed for FY2013. The County supports full funding for this program.

Byrne Justice Assistance Grants (JAG): The House bill includes \$370 million for Byrne JAG, which is the same as the FY2012 enacted level. The Senate bill includes \$392.4 million for Byrne JAG Programs, which is an increase over the House and FY2012 levels. The County supports full funding for this program.

State Criminal Alien Assistance Programs (SCAAP): The House bill includes \$165 million for the SCAAP, which provides federal payments to state and local governments for the costs of incarcerating undocumented aliens. The Senate bill includes \$255 million for SCAAP, which is above the FY2012 level of \$240 million. The County supports full funding for the SCAAP.

DNA Analysis Grants: Both the House and Senate CJS bill propose \$125 million for these grants, which is the same as the FY2012 level. The County supports full funding for this program and other forensic science grant programs at the Department of Justice.

Coverdell Forensic Science Grants: The House bill provides no funding for these grants. The Senate bill proposed \$12 million, which is the same as the FY2012 enacted level.

Juvenile Justice and Delinquency Prevention Programs: The House bill includes \$209.5 million for Juvenile Justice Programs. The Senate bill includes \$278 million for these programs. The FY2012 enacted level is \$262.5 million, which is less than the Senate bill, but \$53 million more than the House bill.

Domestic Violence and Sexual Assault Grants: The House bill includes \$415 million for Violence Against Women programs, which is a slight increase over last year. The Senate bill proposes \$412.5 million for these programs, which is the same as the FY2012 level.

Victims of Trafficking Grants: The House bill proposes \$13.5 million for these grants, which is \$3 million above FY2012. The Senate bill includes \$10.5 million, which is the same as the FY2012 level.

Bulletproof Vest grants: The House bill includes \$20 million for these grants. The Senate bill includes \$24 million, which is the same as the FY2012 level.

The full House plans to take up the Commerce-Justice-Science appropriations bill when it reconvenes next week. We will continue to keep the County informed of all relevant developments with the bill.

FY2013 Transportation-HUD Appropriations Bill:

In April, the Senate Appropriations Committee also marked up the FY2013 Transportation-HUD Appropriations bill. We provided updates to the County on the Committee's actions and the funding levels for programs of interest to the County. The bill provides a total of \$53.4 billion for the Department of Transportation, Department of Housing and Urban Development, and related agencies. The total is \$3.9 billion less than the FY2012 enacted level.

Community Development Block Grants (CDBG): The Senate bill provides \$3.1 billion for CDBG. This is \$152 million above the FY2012 enacted level of \$2.948 billion. The County supports increased funding for the CDBG program so the Senate level of funding is a positive development.

HOME Investment Partnership: The Senate bill provides \$1 billion for the HOME Investment Partnership program, which is the same as the FY2012 level. This funding supports the creation and rehabilitation of low-income housing across the country. The bill also includes reforms to ensure that funds are used in a timely fashion for worthy projects.

Section 8 Tenant-based rental assistance: The Senate bill provides \$19.4 billion for housing choice vouchers, which is \$482 million above the FY2012 level. This includes \$75 million for 10,000 new HUD-Veterans Affairs Supportive Housing (HUD-VASH) vouchers for homeless veterans.

Public Housing: The Senate bill proposes \$1.99 billion for the public housing capital fund, an increase of \$110 million above the FY2012 level. This funding will help maintain public housing. The bill also includes \$4.6 billion for the public housing operating fund, which is \$629 million above the FY2012 level.

Project-based rental assistance: \$9.8 billion for the project-based section 8 program, including over \$9.6 billion for the renewal of all project-based contracts for a full 12 months. This level of funding is \$536 million above the fiscal year 2012 enacted level.

Homeless Assistance Grants: The Senate bill includes \$2.15 billion for these grants, which is \$245 million above the current level.

Housing Counseling: The Senate bill provides \$135 million for housing counseling efforts. This includes \$55 million for HUD's housing counseling activities and \$80 million to continue the National Foreclosure Mitigation Counseling program.

HUD Sustainable Communities Initiative: The Senate bill proposes \$50 million for this initiative to promote integrated housing and transportation planning. This funding will provide grants for integrated housing and transportation planning efforts on both the regional and local level.

Choice Neighborhoods: The Senate bill includes \$120 million for this initiative, which will expand the HOPE VI program. This is the same level of funding as FY2012. The program improves housing and revitalizes poor communities, while promoting better access to schools, transportation, jobs and other services.

TIGER Grants: The bill provides \$500 million for another round of TIGER grants, which support significant transportation projects in a wide variety of modes, including highways and bridges, public transportation, passenger and freight railroads, and port infrastructure. The bill requires the Secretary to allocate no less than \$120 million for projects in rural communities. The funding level is the same as the FY2012 level.

Transit: The Senate bill provides \$10.4 billion for transit, a slight increase from the current \$10.3 billion.

High Speed Rail: The Senate bill provides \$100 million for the high speed rail grant program to assist states with developing high speed rail systems. There is no funding in FY2012 for high speed rail.

Highways: The Senate bill provides \$39.1 billion for the federal-aid highway program, which is the same as FY2012.

Airport Improvement Programs: The Senate bill proposes \$3.35 billion for the AIP, which is the same as FY2012.

The House Appropriations Committee has not set a mark up date for its version of the FY2013 Transportation-HUD bill. We will keep the County informed of any developments with the bill and funding levels for programs of interest to the County.

Energy & Commerce Committee – Budget Reconciliation Bill:

As we previously reported, on April 25 the House Energy and Commerce Committee marked up a budget reconciliation bill that cuts \$114 billion in health care spending over the next ten years. In accordance with the House Budget Resolution, the House Budget Committee will compile these provisions with those adopted by other authorizing committees into a Budget Reconciliation Bill. The reconciliation bill will likely pass the House, but the Senate does not plan to take up the legislation.

The cuts proposed by the Energy and Commerce Committee include a repeal of the \$15 billion Prevention and Public Health Fund that was created in the Affordable Care Act to fund preventative and public health programs. The payroll tax extension enacted in February already cut the Fund by \$5 billion. The bill adopted by the Committee would rescind the remaining money. Public health advocates and local governments, including NACO, have objected to cuts in this Fund, which assists state and community efforts to prevent illness and promote health.

The Committee also approved a number of cuts to Medicaid, including a repeal of the "maintenance of effort" (MOE) requirements on States for Medicaid and the Children's Health Insurance Program (CHIP). The legislation would allow states to apply more restrictive eligibility stands for programs. The bill also extends the Affordable Care Act's Medicaid disproportionate share hospital (DSH) cuts through 2022. Any change to Medicaid eligibility standards or further DSH cuts is of concern to the County and would have a negative impact on Jackson, the largest safety net provider in the State.

The bill also would reduce the federal Medicaid match rate for U.S. territories from 55 percent to 50 percent, as well as cut the health care provider tax from the current 6 percent threshold to no greater than 5.5 percent.

Another bill approved by the Committee would cap certain medical liability damages to \$250,000, in addition to limiting attorneys' fees and establishing a statute of limitations on filing lawsuits.

The three bills approved by the Energy and Commerce Committee, along with bills approved by other authorizing committees, will be packaged together by the House Budget Committee into a reconciliation bill when the Congress reconvenes next week. Again, the budget reconciliation bill is expected to pass the House, but stall in the Senate.

Interest Rate Reduction Act (H.R. 4628):

On April 27, the House passed legislation that will postpone the 3.4% student loan interest rate increase for one year. Without an extension, the student loan interest rates will nearly double as scheduled in July. The estimated cost of the extension is \$6 billion. The bill would be paid for by repealing the Prevention and Public Health Fund that was created in the Affordable Care Act. Repealing the Fund is estimated to save \$12 billion over 10 years – with \$6 billion going to pay for the student loan bill and the remaining \$6 billion going toward deficit reduction.

While Democrats strongly support extending the student loan interest rate, they object to using the Prevention and Public Health Fund (PPHF) as a way to pay for it. The Fund is used to pay for preventative and public health programs, including childhood immunizations and screening programs for breast and cervical cancer and birth defects. As previously mentioned, the PPHF is supported by public health, prevention and other health and wellness advocates as well as public health departments and local governments.

The Senate Democratic leadership has proposed to pay for its version of the student loan bill by repealing a corporate tax break. The Senate plans to vote on its bill May 8.

Both the House and Senate offsets are partisan proposals. However, there is bipartisan support for extending the student loan rate so they will likely try to find an offset that is acceptable to both Republicans and Democrats. However, eliminating the Prevention and Public Health Fund is not acceptable to Democrats and the White House has issued a veto threat against the House bill for this reason.

Africa Trade Development Center Resolution

In February, the Board of County Commissioners adopted a resolution in support of the Africa Trade Development Center (ATDC) located in the Miami Free Trade Zone. The ATDC serves as a trade hub to the Americas. In March, the County asked that we assist them with their efforts to support the ATDC. We participated in meetings with the County's Office of Intergovernmental Affairs and Fred Oladeinde, President of the Foundation for Democracy in Africa. During those meetings we discussed the County's resolution and how the County may be able to assist the Foundation with pursuing funding opportunities for the ATDC. This includes

trying to access funding through the African Competitiveness and Trade Expansion Initiative (ACTE), which was announced last year by the U.S. Trade Representative (USTR) and is being administered by USAID. We also discussed pursuing potential opportunities at the Commerce Department, other federal agencies, and the State of Florida. We also discussed helping to schedule informational meetings with the Miami Dade Congressional delegation as needed.

In April, we had a follow up call and other communications with the Foundation and County about next steps in pursuing potential funding opportunities to support the ATDC and its programs. We will continue to assist the County with these efforts.

Activities for May:

The House and Senate are out of session for the first and fourth weeks of May. When they reconvene, the House and Senate Appropriations Committees will continue working on the FY2013 appropriations bills. The House will also consider its budget reconciliation bill, but the Senate does not intend to take up the legislation. The House and Senate will also continue negotiating on the surface transportation reauthorization bill. In May, we will continue working with the County on the ATDC issue, the appropriations process, and our other assigned issues.